

**ACTION MINUTES
LYNNWOOD TOURISM ADVISORY COMMITTEE
Annex Conference Room
June 14, 2012
7:45 AM**

10. Call to Order

Chairperson Smith called the meeting to order at 7:48 a.m.

20. Roll Call

Committee Members present:

Chairperson Smith
Committee Member Spain
Committee Member Dull
Committee Member Klein

Staff:

Mary Monroe, Tourism Manager
David Kleitsch, Economic Development Director

Committee Members absent:

Committee Member Walker
Committee Member Horrigan
Committee Member Muller

30. Approval of Minutes

30.1 Minutes of May 10, 2012: Committee Member Spain moved to approve the minutes of May 10, 2012, Committee Member Dull seconded the motion. The motion passed unanimously

40. Written Communications

None

50. Public Comments

None.

60. Reports from Committee Members

60.1 Committee Member Spain informed the Committee that the Bureau was still looking for a replacement for their Group Tour sales person. She announced that the consultant hired to rebrand the county will be doing a webinar with the hotels regarding the importance of sharing guest information for research purposes. There will also be a presentation by the branding consultant at the Quarterly Tourism Forum. The branding team will be visiting the County in July.

Committee Member Klein announced that Alderwood has 52 events on the books. These events are designed to drive traffic to the Lynnwood area. She distributed fliers on the June 14 Girls Night Out event and stated there will be two similar events later in the year. Lego's grand opening will be in July and they expect between 5 and 8 thousand people to attend. An unnamed new store will also be opening in time for Holiday shopping. Alderwood anticipates all construction completed prior to the Holiday shopping season.

Committee Member Dull inquired about parking issues at Alderwood. Committee member Klein related that the major issue they face is employees parking in customer spots. Alderwood fines employees \$25 for parking in customer parking areas.

Committee Member Spain, Committee Member Dull and Tourism Manager Monroe asked to be kept aware of upcoming Alderwood events so they could include the information on web sites and in collateral packets.

Committee Member Dull reported the LPFD is having the best year ever. He reported the PFD Board is still looking for a General Manager, that the current staff was doing a good job, and there was not a rush to fill the GM position.

70. Resolutions and Action Items

70.1 Tourism Fund Balance Policy

Director Kleitsch introduced the proposed fund balance policy. The proposed policy called for a reserve based on the current year's operating expenses. Committee Member Spain suggested that including items such as advertising and travel in the reserve was not necessary as those expenditures could easily be curtailed if necessary. Committee Member Dull pointed out that if spending was elevated the reserve required for the following fiscal period would be set higher which may not be necessary. He suggested a set dollar amount be considered for the reserve. Chair Smith questioned the need of specifying a fiscal period in the policy. He pointed out that maintaining a balance would not need to be tied to a time period. The Committee concurred.

A discussion followed about what an appropriate reserve should be. It was concluded that a balance of \$250,000 was adequate to meet the intent of the policy. It was further agreed that there was no need to include caveats for when it was appropriate to spend reserves. The committee discussed reviewing the policy and making adjustments if necessary in future years. Brenda Klein moved that *there be a fund balance reserve of \$250,000 on an ongoing basis until such time as reviewed and amended by TAC.* Committee Member Spain seconded the motion. The motion passed unanimously. The reserve policy will be revised based upon the direction received from the TAC/LTAC.

70.2 FY 2013-2014 Tourism Work Program and Budget

Director Kleitsch provided an overview of the FY 2013-2014 budget, and the 6% projection for revenue growth. He commented on the role of the administrative assistant and the importance of that position to the tourism function. This sentiment was echoed by Committee Member Spain.

A discussion of the proposed budget followed. Tourism Manager Monroe pointed out where proposed expenditures were greater than the previous fiscal period and provided explanations for the increases. She also informed the Committee that the projection for the next six years indicates the annual lodging tax collected will be greater than the annual LPFD debt obligation.

The Committee discussed adding additional funding to the FY 2013-2014 budget to cover any opportunities that might arise during the fiscal period. It was determined that an additional \$50,000 would be appropriate. Committee Member Spain moved that the FY 2013-2014 budget be amended to include a \$50,000 opportunity fund and that the amended budget be adopted. Committee Member Dull seconded the motion. The motion passed unanimously.

A discussion about ROI and outcomes followed. Tourism Manager Monroe and Committee Member Spain commented on the difficulty of tracking ROI in the tourism industry. There was discussion about reinstating the conversion study conducted in previous years. Tourism Manager Monroe will refresh the Tourism strategic plan and bring it to a future meeting for discussion.

80. Staff Reports

80.1 Director's Report

Director Kleitsch reviewed tourism metrics for Snohomish County, pointing out that although Snohomish County occupancy was flat, RevPar and ADR were up. Committee Member Spain reported that in Spokane and Pierce Counties, all three metrics had declined month over month, indicating Snohomish County is doing well.

90. General Discussion

None

100. Adjournment

The meeting was adjourned at 9:11 AM

Next Meeting

The next TAC meeting is scheduled for June 14, 2012.